

CARMEL REDEVELOPMENT COMMISSION Meeting, Wednesday, February 17, 2010

President Ron Carter called the meeting to order at 6:37 p.m. Commission members Bill Hammer, Carolyn Anker, Tom Crowley, Jeff Worrell and Greg Phillips were present, constituting a quorum. Also present were Karl Haas, Les Olds, Andrea Stumpf, Sherry Mielke, Don Cleveland and Matt Worthley.

Others present:

Megan McVicker, Loren Matthes, Heidi Dickman, Mike Anderson, Dan Moriarity, Brandon Bogan, Mike Lee, Paul Zaha, Kevin Kane, Rosemary Waters, Rich Taylor III, Jack Badger, Mayor Brainard

The Pledge of Allegiance was said.

Approval of Minutes

January 7, 2010: Moved for approval by Mr. Hammer, seconded by Ms. Anker and unanimously approved.

January 20, 2010: Moved for approval by Mr. Worrell, seconded by Ms. Anker and unanimously approved.

January 27, 2010: Moved for approval by Mr. Hammer, seconded by Ms. Anker and unanimously approved.

Presentation by H.J. Umbaugh and Associates: Tax Increment Financing Report

Mr. Carter requested approval to add an agenda item regarding a report on CRC finances. Ms. Anker moved for approval, seconded by Mr. Worrell and unanimously approved.

This report was presented to address questions raised regarding finances for the Regional Performing Arts Center. The report was originally planned to be presented at the February 15, 2010 City Council Meeting but was declined for presentation that evening. Mr. Carter asked Loren Matthes, H.J. Umbaugh and Associates, to present at the CRC meeting. The CRC deemed it appropriate and highly necessary to present this information to the citizens of Carmel and members of the news media in a timely manner.

Ms. Matthes presented an overview of Tax Increment Financing (TIF) including specific TIF areas being used to repay PAC bonds and downtown improvements, a comparison of estimates from 2005 through the present year, and provided an explanation of how TIF numbers are determined.

Ms. Matthes provided an overview of the seven major TIF areas within Carmel. Funds generated from the seven TIF areas provide enough to cover all obligations of CRC, including PAC bonds. The numbers in the presentation were defined as conservative based on the assumption of no new construction scheduled until 2023.

As an example, Mr. Carter made note of presentation slide #25 depicting a graph of the conservative TIF projections showing a surplus covering all CRC obligations with no residential taxes included.

Mr. Crowley asked Mr. Haas if the presentation slide #25 included every obligation the CRC has in regards to bank loans. Mr. Haas confirmed the graph includes all bank loans to date. Ms. Matthes clarified the presentation did not include contingent liability. Other loans such as Installment contracts and certificates of participation (outlined in Appendix B) are included. TIF has no impact on the local school system's general fund. Discussion ensued.

Ron Carter addressed the paid advertising for the Carmel Palladium. He stated all marketing dollars and decision in regards to paid advertisements, performers and event line-up, etc. was paid by the Regional Performing Arts Center Foundation.

Financial Matters

Ms. Mielke announced the January 2010 end of month operating balance for the CRC General Fund is \$3,439,370.

Ms. Mielke requested the Commission's approval to pay invoices for the CRC General Fund in the amount of \$459,808.26. She explained this was an updated number from the total originally distributed to Commission members. Mr. Hammer moved to approve CRC General Fund claims in the corrected amount. Seconded by Ms. Anker and passed unanimously.

Ms. Mielke requested the approval of PAC invoices for regular construction in the amount of \$3,419,182.96. Ms. Anker moved to approve expenditures in the PAC Construction fund, seconded by Mr. Worrell and passed unanimously.

Ms. Mielke requested approval from the Commission to pay PAC invoices for emergency repair for \$154,553.70. Mr. Worrell stated due to the update from the CRC's attorney during the Executive Session, he was comfortable with approving invoices for emergency repair and moved for approval. Seconded by Mr. Hammer and passed unanimously.

Approval of Horning Roofing Invoice re: PAC changed conditions

Because of an incorrect bill, the invoice for clay tile roofing was not paid in 2009 when originally submitted. The bill has been corrected at this time. Mr. Olds addressed this matter as a housekeeping issue and asked the Commission to specifically approve this invoice as an amendment to the contract and not as a change order. The same amount of money will be spent that was originally approved. This portion of project is within the approved budget and has always remained fully within the approved budget.

Mr. Worrell moved for approval of the Horning Roofing invoice referencing the revised billing in the amount of \$46,836, seconded by Mr. Crowley and unanimously approved.

Special Matters

None at this time.

Committee Reports

Mr. Worrell reported the Plan Review Interior Design committee resolved front of house and back of house furniture. The Panel reviewed the furniture design and established a budget to meet expectations of the Executive Director of the Performing Arts Center.

Selection of furniture and fixtures were finalized and a reduced budget from the original \$1.5 million to \$996,314 was approved.

Committee is now comprised of Mr. Worrell, Mr. Hammer and Mr. Olds. Mr. Hammer has replaced Mr. Sharp's position on the committee.

Update on Properties

Mr. Anderson with Shiel Sexton, Construction Manager for the PAC, gave an update and slideshow presentation on the construction progress.

Old Business

No old business at this time.

New Business

Replacement contract for Parcel 14: Harrill Property

Mr. Haas explained the contract for the Parcel 14 Harrill Property currently in place will be coming due in August of this year. Mr. Haas recommended extending the contract for an additional term of five years.

Regarding the prior discussion and TIF presentation, Mr. Haas clarified his original statement of CRC bank loan obligations. In regards to Mr. Crowley's question, Mr. Haas stated there are items of expense, such as this contract, that the Commission has that are not shown in Umbaugh's TIF report but are reflected in the annual budget. However, for obligations where TIF is the underlying funding source, everything is included within Umbaugh's TIF report.

Ms. Anker moved the Commission approve the Replacement Land Sale Contract between the Carmel Redevelopment Commission and 251, LLC. Seconded by Mr. Worrell and unanimously approved.

Other Business

Mr. Carter added to Mr. Haas' clarified statement. In regards to the Barrington PILOT payments (noted in slide #20 of Ms. Matthes' presentation), this entity holds a non-profit status and the City Council negotiated a payment in lieu of taxes when the company was in discussions with the City in regards to their zoning needs for that particular parcel.

Announcements

Mr. Hammer called attention to the brass performance at Monon Center on Sunday, February 21, 2010 at 2:30 p.m.

Ms. Mielke stated the Indiana Arts Commission designated the Arts & Design District as a statewide cultural District on January 26, 2010.

Ms. Stumpf announced the 2010 Arts & Design District event line-up was confirmed with 13 total events. A sponsorship consultant has been hired to leverage funds and help with the CRC event budget.

Adjournment

Ms. Anker moved the meeting be adjourned and seconded by Mr. Hammer. The meeting was adjourned at 8:31 p.m.

The next regularly scheduled meeting is Wednesday, March 17, 2010 at 6:30 p.m.